

Volvo Group North America, LLC  
Arrow Truck Sales, Incorporated  
Mack Trucks, Inc.  
SVO, LLC  
Mack Defense LLC

Report on Measures to Prevent and Reduce the Risk of Forced and Child Labour  
under the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*

**I. Introduction**

This is the first report of Volvo Group North America, LLC, Arrow Truck Sales, Incorporated, Mack Trucks, Inc., SVO, LLC, Mack Defense LLC (collectively below, "VG Trucks US") under Canada's *Fighting Against Force Labour and Child Labour in Supply Chains Act* (the "Act").

**II. VGCI Structure, Activities and Supply Chains**

**a. Corporate Information**

Legal name of reporting entities:  
Volvo Group North America, LLC  
Arrow Truck Sales, Incorporated  
Mack Trucks, Inc.  
SVO, LLC  
Mack Defense LLC

Financial reporting year: January 1st to December 31st

Report version: Original

Corporation Numbers:  
Volvo Group North America, LLC: 2977435 (registration number of their US State of Incorporation (Delaware))  
Arrow Truck Sales, Incorporated: 00078474 (charter number of their US home state (Missouri))  
Mack Trucks, Inc.: 608244 (registration number of their US State of Incorporation (Pennsylvania))  
SVO, LLC: 7139113 (registration number of their US State of Incorporation (Delaware))  
Mack Defense LLC: 4937410 (registration number of their US State of Incorporation (Delaware))

Business numbers (numbers displayed are Export Identification Numbers or Non-Resident Importer Numbers):  
Volvo Group North America, LLC: 58-2431188  
Arrow Truck Sales, Incorporated: 82450 7750 RM0013  
Mack Trucks, Inc.: 22-1582040  
SVO, LLC: 83-458992800  
Mack Defense LLC: 832462634PG0001

Entity category: VG Trucks US are legal entities formed under the laws of the United States, each of whom do business in Canada by exporting goods, produced outside of Canada, into Canada. With respect to the other criteria for determining applicability of the Act to VG Trucks US, each legal VG Trucks US entity has at least \$20 million in assets for at least one of its last two fiscal years and generated at least \$40 million in revenue for at least one of its last two fiscal years.

Sectors or industries: Manufacturing for all VG Truck US entities other than Arrow Truck Sales, Incorporated, which operates in the retail trade.

Headquarters:

Volvo Group North America, LLC: Greensboro, North Carolina, USA

Arrow Truck Sales, Incorporated: Kansas City, Missouri, USA

Mack Trucks, Inc.: Greensboro, North Carolina, USA

SVO, LLC: Greensboro, North Carolina, USA

Mack Defense LLC: Allentown, Pennsylvania, USA

Entity structure: The VG Trucks US entities are corporations and limited liability companies (LLC's) as shown above, formed under the laws of the US states shown above. VNA Holdings Inc. is the sole shareholder of Mack Trucks, Inc., and Mack Trucks, Inc. is the sole shareholder of Arrow Trucks Sales, Incorporated, and sole member of Volvo Group North America, LLC, SVO, LLC and Mack Defense LLC. VNA Holdings Inc. is wholly owned by AB Volvo (collectively, with all its subsidiaries and divisions, the "**Volvo Group**"), which is a publicly held company listed on the Stockholm Stock Exchange (STO:VOLV-B) and headquartered in Gothenburg, Sweden. The Volvo Group is one of the world's leading manufacturers of trucks, buses, construction equipment, marine and industrial engines and also provides complete financing solutions.

## **b. Activities and Supply Chains**

### **i. Volvo Group North America, LLC**

Volvo Group North America, LLC, d/b/a Volvo Trucks North America is headquartered in Greensboro, North Carolina, USA. Volvo Trucks first entered the North American market in 1959 and has since established itself as an integral part of the North American commercial truck market. Today, Volvo Trucks North America is a market leader on the forefront of electromobility, automation, and connectivity.

The Volvo VNR, VNL, VNX, VHD, and VAH trucks are all assembled in the U.S. at Volvo Trucks North America's New River Valley Plant in Dublin, Virginia, USA, while Volvo Trucks North America's engines are assembled in Hagerstown, Maryland, USA. Volvo Trucks North America is headquartered in Greensboro, North Carolina, USA.

Volvo Trucks North America's supply chain involves a global network of suppliers providing vehicle components and related services both within and outside of North America. Volvo Trucks North America shares a common purchasing function with Mack Trucks, Inc., SVO, LLC, and, with respect to the base truck chassis, Mack Defense, LLC.

### **ii. Arrow Trucks Sales, Incorporated**

Arrow Truck Sales, Incorporated buys, trades and sells used semi-trucks.

Arrow Truck Sales, Incorporated is headquartered in Kansas City, Missouri, USA.

Arrow Truck Sales, Incorporated's supply chain is essentially the market of used trucks in the United States, along with a supply base of support services that are largely but not entirely local or regional in nature.

### **iii. Mack Trucks, Inc.**

Founded in 1900, Mack Trucks, Inc. markets and sells its commercial trucks in dozens of countries worldwide. Mack Trucks, Inc. is one of North America's largest manufacturers of heavy-duty trucks, proprietary engines and transmissions. Mack Trucks, Inc. is part of the Volvo Group, one of the world's leading manufacturers of diesel, natural gas and electric trucks, buses, construction equipment, marine and industrial engines.

Every heavy-duty class 8 Mack truck built for the North American market is assembled at its Mack Lehigh Valley Operations facility in Macungie, Pennsylvania, USA. Mack Trucks, Inc's headquarters is based in Greensboro, North Carolina, USA.

Mack Trucks, Inc.'s supply chain involves a global network of suppliers providing vehicle components and related services both within and outside of North America. Mack Trucks, Inc. shares a common purchasing function with Volvo Group North America, LLC, SVO, LLC, and, with respect to the base truck chassis, Mack Defense, LLC.

### **iv. SVO, LLC**

SVO, LLC produces Mack-branded medium duty (Class 6 and 7) commercial trucks for Mack Trucks, Inc., at SVO's assembly plant in Salem, Virginia, USA. Mack-branded medium duty offerings were introduced in February 2020 and entered full production in July 2020. The truck is a short-hood conventional designed for local use, with a day-cab only. SVO, LLC's headquarters is based in Greensboro, North Carolina, USA.

SVO, LLC's supply chain involves a global network of suppliers providing vehicle components and related services both within and outside of North America. SVO, LLC shares a common purchasing function with Volvo Group North America, LLC, Mack Trucks, Inc., and, with respect to the base truck chassis, Mack Defense, LLC.

### **v. Mack Defense, LLC**

Mack Defense, LLC provides high quality equipment, parts, and services to military, federal, and security customers around the world.

Mack Defense, LLC is based in Allentown, Pennsylvania, USA.

Mack Defense, LLC's supply chain involves a global network of suppliers providing vehicle components and related services both within and outside of North America. With respect to its base chassis, Mack Defense, LLC shares a common purchasing function with Volvo Group North America, LLC, Mack Trucks, Inc., and SVO, LLC. Adaptations to that chassis customized to Mack Defense, LLC's military,

federal and security customers are sourced typically through local and regional vendors in North America.

### III. Volvo Group and VG Trucks US Commitment to Human Rights

Respect for human rights is fundamental to the Volvo Group and its members, including VG Trucks US. We are committed to respecting internationally recognized human rights.

The Volvo Group and VG Trucks US individually continue to strengthen and align their human rights work within the context of international frameworks such as the UN International Bill of Human Rights, the ILO's fundamental conventions, the UN Global Compact, the UN Guiding Principles on Business and Human Rights, OECD Guidelines for Multinational Enterprises, and Children's Rights and Business Principles. The Volvo Group and VG Trucks US further recognize that a core tenet of many of these frameworks is tracking and monitoring performance to drive continuous improvement and using experiences as a source of continuous learning.

#### a. Policies and measures taken to combat forced labour and child labour in supply chains

As a member of the Volvo Group, VG Trucks US is bound by and adheres to all policies and programs developed by the Volvo Group regarding human rights. The following policies and programs address forced and child labour:

##### The Volvo Group Human Rights Policy

In 2021, the Volvo Group launched a standalone [Human Rights Policy](#). The policy sets the common threshold for the Volvo Group's commitment to respect human rights and applies to all Volvo Group entities (including VG Trucks US), employees and others working at its sites. The Human Rights Policy describes the Volvo Group's salient human rights risks across the areas of sustainability ambitions. Modern slavery and children's rights are included in the Volvo Group's list of salient human rights risks. The policy states that the Volvo Group does not tolerate any forms of modern slavery and child labor in our own operations and our supply chain. The Volvo Group Human Rights Policy is publicly available on [Volvogroup.com](#).

##### The Volvo Group Code of Conduct:

As part of its full commitment to respecting internationally recognized human rights, the Volvo Group does not tolerate any forms of modern slavery, including forced, bonded or compulsory labour and child labour. This has been an essential part of the [Volvo Group Code of Conduct](#) since 2003. The Code of Conduct applies to everyone who works on Volvo Group's behalf (which includes VG Trucks US), including full- and part-time employees, consultants, temporary staff, and senior management. Practices that constitute forced labour, including debt bondage, human trafficking, and other forms of modern slavery, are not accepted in any part of the Volvo Group. The Code of Conduct includes examples of modern slavery-related practices such as confiscation of identity papers or passports, withholding of wages, not conferring an official employment status, subjecting someone to physical and sexual violence, debt bondage, imposing excessive recruitment fees, and restricting people's freedom of movement. The

Volvo Group Code of Conduct is publicly available on [Volvogroup.com](http://Volvogroup.com) and is a mandatory part of the training for all employees and management of VG Trucks US.

#### The Volvo Group Supply Partner Code of Conduct:

Since 1996, the Volvo Group Responsible Purchasing Program has consistently increased supplier requirements on human rights. Since 2019, the [Supply Partner Code of Conduct](#) applies to all Supply Partners that deliver goods and/or services to any entity of the Volvo Group, including their parent, subsidiary, or affiliate entities as well as their respective employees and agents. It has been recently updated and strengthened with firmer requirements and expectations including more due diligence requirements on direct suppliers to cover further tiers in the supply chain.

The Supply Partner Code of Conduct states that the Volvo Group does not tolerate any forms of modern slavery or forced labour in its supply chain, including but not limited to forced, bonded or compulsory labour and human trafficking. It is further stated that suppliers and their recruitment agencies shall not engage in or tolerate, restrictions of movement, unethical recruitment fees confiscation of identity documents and/or passports, withholding of wages, abusive working conditions, debt bondage, violence or any other kind of exploitation or abuse. Suppliers are also encouraged to have adequate policies, risk awareness, risk assessment and due-diligence processes in place to prevent modern slavery and forced labour throughout their supply chain.

Suppliers are further encouraged to engage constructively with relevant stakeholders such as recruitment agencies, non-governmental organizations and industry associations in order to build awareness and proactively work towards preventing modern slavery and forced labour. Suppliers are required by the Supply Partner Code of Conduct to ensure that their own organization and its direct suppliers comply with the Supply Partner Code of Conduct's minimum requirements. Suppliers to the Volvo Group are expected to perform human rights due diligence of their supply chains, and suppliers are encouraged to work proactively in their supply chains beyond direct suppliers to implement standards that correspond to the standards of the Supply Partner Code of Conduct. The Supply Partner Code of Conduct is implemented through self-assessments and supplier audits as part of our Responsible Purchasing Program (see below, at section III.b for further details). The Supply Partner Code of Conduct is publicly available at [Volvogroup.com](http://Volvogroup.com).

#### Sustainable Minerals Program:

The Volvo Group does not directly source conflict minerals or other minerals of concern such as tin, tantalum, tungsten, gold and cobalt, however these minerals are part of its global supply chain and are used in a variety of materials and components. The Volvo Group supports suppliers with a view to securing sustainable supply of these minerals through our [Sustainable Minerals Program](#). The Volvo Group is a member of the Responsible Minerals Initiative (RMI) and with the support of the tools provided by RMI it performs supply chain mapping and due diligence of its supply chain for conflict minerals. This is an important initiative with the aim of mitigating human rights related risks at the bottom of its supply chain, including but not limited to, modern slavery related risks. All invited suppliers will be assessed on the parameters of (a) the strength of their Human Rights Due Diligence program and (b) their association to smelters or refiners of concern in their supply chain. The long-term ambition of the Sustainable Minerals Program is to drive full transparency by 2025 with all in-scope supply chain partners complying with Volvo Group Responsible Purchasing Standards and Requirements.

#### United States Uyghur Forced Labor Prevention Act (ULFPA) prohibited entity list:

VG Trucks US will not contract with any entity identified by the above Act in order to respect its obligations emanating from the various Volvo Group Policies pertaining to human rights. Likewise, VG Trucks US

complies with sanctions imposed by the US Department of the Treasury's Office of Foreign Assets Control Specially Designated Nationals and Blocked Persons list.

More information is available on our commitment and measures related to sustainability and human rights in the Volvo Group 2023 Annual Report available on line at: <https://www.volvogroup.com/content/dam/volvo-group/markets/master/events/2024/feb/annual-report-2023/AB-Volvo-Annual-Report-2023.pdf?>

## **b. Assessing Risk and Implementing Due Diligence in Relation to Forced Labour and Child Labour**

The Volvo Group, and VG Trucks US specifically, acknowledge that there may be risks of forced or child labour in our supply chains. Specifically, and as described in more detail above in connection with our Sustainable Minerals Program, the Volvo Group considers that certain metal raw materials supply chains present an elevated risk of forced or child labour. The following measures have been implemented by VG Trucks US to identify such risks and to implement the above policies:

### Mapping of activities:

VG Trucks US has completed the mapping of all its manufacturing activities.

Mapping of supply chains: VG Trucks US continuously maps suppliers included in its supply chain using the procedures described below:

### Supplier Self-Assessments:

VG Trucks US utilizes a standardized questionnaire for the automotive industry focused on sustainability in the supply network. The self-assessment questionnaire (SAQ), considers sustainability performance within human rights, working conditions, as well as environmental and responsible supply chain management. Potential supply partners are invited to conduct the SAQ and the result is used, together with other risk parameters, in the supply partner selection process. For a selected supply partner, the self-assessment result will result in a corrective action plan if the supply partner falls below a 60% risk threshold or if a selection of questions is not fulfilled. In order to drive continuous improvement, the rating is valid for three years and thereafter a new assessment is required.

### Sustainability Audits:

As part of the supplier selection process, additional risk analysis is conducted of potential supply partners of direct materials in high-risk countries through on-site Corporate Social Responsibility (CSR) audits. Potential indirect material supply partners are also audited when located in high-risk countries and with a contract value that exceeds a pre-defined threshold. The responsibility for improvements and corrective actions always lies with the potential supply partners. Non-compliance cases are managed by the responsible buyer, together with the auditor, until resolved. Auditing of existing supply partners follows the same procedures. Overall, the sustainability assessment of supply partners focuses on developing a sustainable supply base and establishing a strong partnership. The results are used in the sourcing decisions, and violations of the requirements are expected to be resolved in a timely manner if the long-term partnership is to remain. Those who fail to address critical issues risk not being awarded a contract or having their contracts terminated.

VG Trucks US's ongoing internal reviews and risk assessments have yet to detect or identify adverse findings relating to modern slavery. VG Trucks US's above verifications have intensified in 2024. Should an above risk be detected, VG Trucks US will use its own commercial influence as well as that of the Volvo Group's to impose its policies to combat forced/child labour or if same proves impossible, will terminate its contract with the offending supplier.

#### Contractual mechanisms:

VG Trucks US regularly makes use of the Volvo Group's General Purchasing Conditions (GPCs) which provide a direct contractual link between third party suppliers to the aforementioned Supply Partner Code of Conduct. As previously stated, the said Code prohibits any form of modern slavery. The GPCs are included in our suppliers' contracts and within each suppliers' purchase order.

#### Grievance mechanisms:

The Volvo Group offers various channels to internal and external stakeholders to report on potential ethical concerns or violations of the Volvo Group policies, including our whistleblower process, the "Volvo Whistle", which is publicly available on [Volvogroup.com](http://Volvogroup.com). 'Volvo Whistle' is available to all employees, consultants, managers and staff of VG Trucks US. Internal and external stakeholders are also made aware of "Volvo Whistle" through the Volvo Group Code of Conduct, included as part of compliance and human rights trainings, articles on the Volvo Group and VG Trucks US intranet, and in the Volvo Group Annual and Sustainability Report. Neither VG Trucks US nor the Volvo Group tolerate any retaliation against whistleblowers raising concerns in good faith. In 2021, an updated Whistleblowing and Investigations Policy was published to emphasize Volvo Group's commitment to non-retaliation and whistleblower protection, including confidentiality, right to anonymity, and other key best practices in the handling of reported concerns. No issues relating to modern slavery have been reported through Volvo Whistle since it was launched in 2017.

### **c. Measuring the Effectiveness of our Actions**

As explained in the [Volvo Group 2022 Annual Report](#) (see page 178), there is a dedicated Group Compliance function that oversees the implementation of a compliance management system approach for core compliance areas. The Volvo Group's compliance management system includes, among other things, policies, guidelines and procedures, regular compliance communication and training, as well as assurance activities such as effectiveness testing and auditing.

The Volvo Group's internal audit function, Group Internal Audit, provides the Board and the Group Executive Board with an independent, risk based and objective assurance on the effectiveness and the efficiency of the governance, risk management and control systems of the Volvo Group. The audits cover, among other things, assessments on the adequacy and effectiveness of the Volvo Group's processes for controlling its activities and managing its risks and evaluation of compliance with policies and directives, including those reviewed in this report.

### **d. Training and capacity building:**

VG Trucks US regularly trains its employees and also offers supplier-facing training on the Supply Partner Code of Conduct. All employees with access to computers are required to complete a yearly Volvo Group Code of Conduct e-learning module. For employees in the production environment or without access to computers, managers are required to lead mandatory Volvo Group Code of Conduct training sessions. The Volvo Group Code of Conduct e-learning also now includes a focused module on Modern Slavery for all employees. In

addition, the said training contains an e-learning program for all Volvo Group and VG Trucks US staff working with suppliers, explaining the concept of responsible purchasing. Further, the Volvo Group has in recent years conducted various internal trainings on more detailed sustainability topics connected to specific purchase segments, sales and associated risks.

It is of note that all VG Trucks US employees must reiterate their commitment to this Code of Conduct at the end of each annual training.

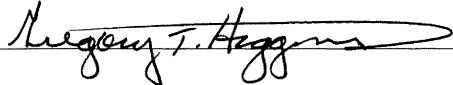
### **e. Remediation Measures**

VG Trucks US has not identified any incidents of forced or child labour in the supply chains of any of its operating divisions. We have, therefore, not had occasion to adopt any remediation measures to address forced or child labour, nor any related measures to remediate income losses. In the unlikely event an incident does arise, VG Trucks US is committed to implementing appropriate remediation measures and related loss-mitigation measures.

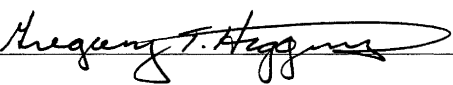


## Approval and Attestation:


In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. I attest that the report has been approved by the board of directors of Volvo Group North America, LLC and that, based on my knowledge, and having exercised reasonable diligence, the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Signature:	
Name:	Gregory T. Higgins
Title:	SVP, General Counsel & Secretary
Date:	May25 2024
<i>I have the authority to bind Volvo Group North America, LLC</i>	

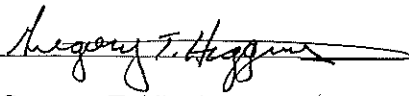
In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. I attest that the report has been approved by the board of directors of Arrow Truck Sales, Incorporated and that, based on my knowledge, and having exercised reasonable diligence, the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Signature:	
Name:	Gregory T. Higgins
Title:	Secretary
Date:	May 25 2024
<i>I have the authority to bind Arrow Truck Sales, Incorporated</i>	

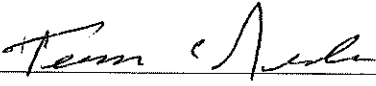
In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. I attest that the report has been approved by the board of directors of Mack Trucks, Inc. and that, based on my knowledge, and having exercised reasonable diligence, the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Signature:	
Name:	Gregory T. Higgins
Title:	SVP, General Counsel & Secretary
Date:	May25 2024
<i>I have the authority to bind Mack Trucks, Inc.</i>	

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. I attest that the report has been approved by the board of directors of SVO, LLC and that, based on my knowledge, and having exercised reasonable diligence, the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Signature:	
Name:	Gregory T. Higgins
Title:	SVP, General Counsel & Secretary
Date:	May 25 2024
<i>I have the authority to bind SVO, LLC</i>	

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity or entities listed above. I attest that the report has been approved by the board of directors of Mack Defense, LLC and that, based on my knowledge, and having exercised reasonable diligence, the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

Signature:	
Name:	Terry Grube
Title:	Secretary
Date:	May 28 2024
<i>I have the authority to bind Mack Defense LLC</i>	